

Message Text

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PAGE 01 STATE 066880
ORIGIN EB-08

INFO OCT-01 EUR-12 ISO-00 SSO-00 ERDA-05 AID-05 CEA-01
CIAE-00 COME-00 DODE-00 FPC-01 H-01 INR-07 INT-05
L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06 OES-06
SP-02 SS-15 STR-04 TRSE-00 ACDA-07 NSCE-00
INRE-00 FEA-01 /100 R

DRAFTED BY EB/ORF/FSE:MVCREEKMORE:MW
APPROVED BY EB/ORF:SWBOSWORTH
-----252216Z 112887 /75-70
O P 252126Z MAR 77
FM SECSTATE WASHDC
TO AMEMBASSY LONDON IMMEDIATE
INFO USMISSION OECD PARIS PRIORITY

C O N F I D E N T I A L STATE 066880

E.O. 11652: GDS

TAGS: ENRG

SUBJECT:EC PAPER ON PART III OF ENERGY COMMISSION
WORK PROGRAM

1. PLEASE PASS THE FOLLOWING TO LE CHEMINANT FROM
BOSLO,TH:

„ I APPRECIATED RECEIVING RECENTLY THE EC PAPER WHICH
PROVIDED COMMUNIQUE LANGUAGE ON THE COOPERATION PORTION
OF THE WORK OF THE ENERGY COMMISSION. THIS PAPER
COMPLEMENTS THOSE RECEIVED EARLIER ON SUPPLY AND PRICE
FROM THE SWISS AND JAPANESE.

3. I AM IN GENERAL AGREEMENT WITH TH: EC PAPER. I
BELIEVE OTHER G-8 MEMBERS WILL GENERALLY AGREE WITH ITS
SUBSTANTIVE TREATMENT OF THE KEY ISSUES. UPON REFLECTION
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PAGE 02 STATE 066880

I HAVE DECIDED AGAINST PRODUCING A SINGLE PAPER IN
COMMUNIQUE LANGUAGE EMBRACING SUPPLY, PRICE, AND CO-
OPERATION. OUR PAST EXPERIENCE IN CIEC SUGGESTS THAT THE
G-19 WILL REGARD ANY NEW DOCUMENT WE PUT ON THE TABLE AS
A NEW G-8 NEGOTIATING POSITION AND THEY WILL COUNTER
WITH A REITERATION OF THEIR ORIGINAL POSITIONS OF OCTOBER
AND NOVEMBER. MOREOVER, THERE IS LITTLE UTILITY IN TRYING

TO AGREE AMONG OURSELVES ON PRECISE LANGUAGE SINCE

THE LANGUAGE IN THE FINAL COMMUNIQUE WILL HAVE TO RESULT FROM NEGOTIATIONS BETWEEN THE TWO SIDES.

4. FOR THESE REASONS, I THINK WE SHOULD FOCUS G-8 DISCUSSIONS IN THE PERIOD PRIOR TO THE RESUMPTION OF CIEC ON THE SUBSTANCE OF THE KEY ISSUES, PARTICULARLY ON AREAS WHERE G-8/G-19 COMPROMISE IS POSSIBLE AND THOSE WHERE THE GAP MAY BE UNBRIDGEABLE, THEREBY DEVELOPING WHAT WILL IN EFFECT BE OUR NEGOTIATING BRIEF. THE EC PAPER ON PART III WILL OBVIOUSLY BE AN IMPORTANT ELEMENT IN THIS BRIEF. I PLAN TO HOLD A G-8 ENERGY MEETING ON APRIL 7, THE DAY AFTER THE G-8 HORIZONTAL COORDINATING MEETING ON APRIL 6, TO BEGIN THIS PROCESS.(I WILL SEND OUT ANNOUNCEMENTS OF THE APRIL 7 MEETING IN A FEW DAYS.) AT THAT TIME, I INTEND TO USE THE SCHEMATIC PAPER THAT HAS BEEN REVIEWED BY THE BURROWS GROUP ALONG WITH A LIST OF KEY ISSUES I WILL TRANSMIT WITH THE ANNOUNCEMENT OF THE MEETING AS THE BASIS FOR OUR DISCUSSIONS.

5. LET ME RESPOND SPECIFICALLY TO THE PARTICULAR POINTS YOU RAISED IN YOUR COVER MEMO:

-- I SHARE THE VIEW THAT THE FINAL ENERGY DOCUMENT SHOULD CONTAIN A CLEAR AND UNAMBIGUOUS REFERENCE TO STABILITY AND SECURITY OF SUPPLY OF HYDRO-CARBONS.

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PAGE 03 STATE 066880

-- I WOULD ALSO PREFER FOR ALL FINANCIAL QUESTIONS RELATING TO OIL PRICE INCREASES AS WELL AS OTHER NON-ENERGY SPECIFIC ISSUES, SUCH AS INDUSTRIALIZATION, BE DEALT WITH OUTSIDE THE ENERGY COMMISSION. BUT I AM NOT OVERLY SANGUINE THAT THE G-19 WILL ACCEDE TO THIS PROCEDURE. WE MUST BE SURE THAT ANY LANGUAGE ON SUCH SUBJECTS IN THE ENERGY PORTION OF THE COMMUNIQUE IS FULLY CONSISTENT WITH THAT IN THE OTHER SECTIONS.

-- WE WILL, OF COURSE, NEED TO MODIFY PARA 2 (G) OF THE EC PAPER TO REFLECT ANY NEW DECISIONS TAKEN BY G-8 GOVERNMENTS TO ENCOURAGE THE FLOW OF INCREMENTAL PUBLIC CAPITAL INTO LDC ENERGY PROJECTS. THERE MAY NOT BE UNANIMITY OF VIEW WITHIN THE G-8 AS TO WHETHER THIS CAPITAL SHOULD BE DIRECTED TOWARD LDC ENERGY DEVELOPMENT OR EXPLORATION, AND WE MAY NEED TO EXAMINE THIS ISSUE.

-- I FULLY CONCUR THAT THE PROPER TACTICAL APPROACH
ON THE ON-GOING ENERGY DIALOGUE QUESTION IS TO KEEP THE
LANGUAGE BRIEF AND GENERAL.

-- MY PERSONAL INCLINATION WOULD BE AGAINST
SEPARATING THE CONSULTATION ISSUE FROM THE OTHER FORMS
OF COOPERATION IN PART III AND PUTTING IT IN A NEW
PART IV. AS YOU KNOW, THERE IS CONSIDERABLE
OPPOSITION BY SOME OF THE OPEC STATES TO THIS PROPOSAL.
WE HAVE A BETTER CHANCE OF OBTAINING G-19 AGREEMENT TO
ITS FINAL INCLUSION IN THE COMMUNIQUE IF IT IS ONE
OF SEVERAL ELEMENTS OF COOPERATION. IT WILL BE TOO
MUCH OF A TARGET FOR ATTACK IN A SEPARATE SECTION.

6. THANK YOU AGAIN FOR YOUR MESSAGE. I LOOK FORWARD
TO SEEING YOU IN PARIS.

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PAGE 04 STATE 066880

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PAGE 01 STATE 066880

ORIGIN EUR-04

INFO OCT-01 ISO-00 /005 R

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DRAFTED BY: EUR/RPE:ADSENS

APPROVED BY: EUR/RPE:PLLAASE

-----281705Z 010985 /45

O 281500Z MAR 77

FM SECSTATE WASHDC

TO USMISSION EC BRUSSELS IMMEDIATE

C O N F I D E N T I A L STATE 066880

FOLLOWING IS REPEAT STATE 066880, SENT LONDON, INFO OECD PARIS
25 MARCH:

QUOTE C O N F I D E N T I A L STATE 066880

E.O. 11652: GDS

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
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Concepts: TEXT, DOCUMENTS, ENERGY, POLICIES, DIPLOMATIC COMMUNICATIONS, REGIONAL ORGANIZATIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 25-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Legacy Key: link1977/newtext/t19770320/aaaaarjb.tel
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Litigation History:
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Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2992934
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Status: NATIVE
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TAGS: ENRG, US, EEC
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Margaret P. Grafeld
Declassified/Released
US Department of State
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